

Market Review



INVESTING

August 27, 2021

EQUITY INDICES	LAST	CHANGE	%CHG	52 WK-HIGH	52 WK-LOW	YTD
DOW JONES INDUSTRIAL AVERAGE	35,455.80	242.68	0.69%	35631.19	26143.77	15.84%
S&P 500	4,509.37	39.37	0.88%	4501.71	3209.45	20.06%
NASDAQ COMPOSITE	15,129.50	183.69	1.23%	15059.63	10519.49	17.39%
S&P/TSX COMPOSITE	20,644.64	140.49	0.69%	20612.41	15418.46	18.42%
STOXX EUROPE 50	3,625.98	14.09	0.39%	3666.47	2671.44	16.65%
FTSE 100	7,148.01	23.03	0.32%	7224.46	5525.52	10.64%
DAX PERFORMANCE-INDEX TR	15,851.75	58.13	0.37%	16030.33	11450.08	15.55%
CAC40	6,681.92	15.89	0.24%	6913.67	4512.57	20.36%
Nikkei 225 Index	27,641.14	-101.15	-0.36%	30714.52	22594.79	0.72%
HANG SENG INDEX	25,407.89	-7.80	-0.03%	31183.36	23124.25	-6.70%
Shanghai SE Composite Index	3,522.16	20.49	0.59%	3731.69	3202.34	1.41%

Market Review

Stocks hit record highs as Fed's Powell gives no signal on taper

U.S. stocks rallied as Federal Reserve Chairman Jerome Powell's widely anticipated speech at the Jackson Hole annual symposium, reassured investors that tapering wasn't imminent. Gold jumped more than 1% and U.S. Treasuries and the U.S. dollar fell. Powell said that the U.S. economy continues to make progress towards the Fed's benchmarks for reducing its pandemic-era emergency programs but stopped short of signaling the timing for any policy shift. The Fed Chair said the central bank will be carefully assess incoming data and the evolving risks and noted that even after asset purchases end, the Fed's elevated holdings of longer-term securities will continue to support accommodative financial conditions. Powell reiterated his view that the current above-target inflation is transitory, and while he is optimistic on the labour market outlook, noted that we still have "substantial slack" remaining. Powell's tone was more dovish than comments from several other FOMC officials this week, who think the Fed should start tapering asset purchases before the year ends. With the focus on the Fed, investors shrugged off economic data. U.S. consumer spending moderated in July, increasing 0.3%, in line with economist expectations. The core PCE price index, Federal Reserve's preferred inflation gauge, rose 0.3% in July, the smallest gain in five months. The core PCE price index rose 3.6% year over year after a similar increase in June. A separate report showed U.S. consumer sentiment declined to August, its lowest level since December 2011, with further deterioration in consumer views of their financial prospects. The final print of the University of Michigan Consumer Sentiment Index fell to 70.3 in August, from 81.2 in July.

The S&P500 and Nasdaq closed at fresh record highs. Nine of the 11 main sectors on the S&P500 traded in the green, led by gains in the economically sensitive cyclical sectors. The Nasdaq outperformed the Dow and the S&P500, boosted by gains in mega cap growth stocks and semiconductor stocks. Canada's TSX Composite Index also closed at a record high on Friday, tracking the gains in the U.S. stock markets. Commodity related stocks provided the biggest boost to the index. The energy sector jumped as oil prices surged amid worries about supply disruptions as companies began shutting down production in the Gulf of Mexico ahead of a possible hurricane forecast to hit on the weekend. The materials sector traded broadly higher, tracking the gains in base metals and precious metals commodity prices. The financials and utilities sectors underperformed the broader market. In earnings news, Canadian Western Bank rose after reporting better than expected quarterly revenue and profit. Economic data showed that producer prices in Canada declined by 0.4% in July, on falling lumber and other wood products. Economists had expected a 0.1% increase. Raw materials prices were up 2.2% in July, and were up 37.7% on the year.

S&P/TSX: LEADERS	LAST	CHANGE	%CHG
Endeavour Silver Corp	\$5.79	\$0.35	6.43%
OceanaGold Corp	\$2.34	\$0.14	6.36%
First Quantum Minerals Ltd	\$26.64	\$1.43	5.67%
Fortuna Silver Mines Inc	\$5.52	\$0.29	5.54%
New Gold Inc	\$1.56	\$0.08	5.41%

S&P/TSX: LAGGARDS	LAST	CHANGE	%CHG
Spin Master Corp	\$47.79	-\$1.79	-3.61%
Sleep Country Canada Holdings Inc	\$32.10	-\$0.72	-2.19%
FirstService Corp	\$233.08	-\$4.18	-1.76%
Jamieson Wellness Inc	\$35.28	-\$0.54	-1.51%
Altus Group Ltd	\$64.98	-\$0.98	-1.49%

S&P/TSX INDUSTRY	LAST	CHANGE	%CHG	YTD
ENERGY	123.7	3.68	3.07%	35.92%
MATERIALS	317.16	8.62	2.79%	-1.08%
UTILITIES	340.34	0.14	0.04%	6.52%
FINANCIALS	381.92	-0.86	-0.22%	24.70%
INDUSTRIALS	371.09	1.78	0.48%	12.85%
HEALTH CARE	64.86	0.59	0.92%	7.83%
CONS. DISCRETIONARY	267.75	0.80	0.30%	14.84%
CONS. STAPLES	743.46	-1.84	-0.25%	17.49%
INFO TECH.	236.43	3.01	1.29%	29.65%
COMMUNICATION SVCS	196.88	0.51	0.26%	20.24%
REAL ESTATE	378.8	1.15	0.30%	26.92%

GOVERNMENT BONDS	2YR	5YR	10YR	30YR
CANADA (YLD%)	0.44%	0.84%	1.20%	1.75%
U.S. (YLD%)	0.22%	0.79%	1.30%	1.91%

COMMODITIES/ FX	LAST	CHANGE	%CHG	YTD
CRUDE OIL WTI	\$68.72	\$1.300	1.93%	41.84%
NATURAL GAS	\$4.37	\$0.191	4.57%	72.12%
GOLD	\$1,818.00	\$25.600	1.43%	-3.95%
COPPER	\$4.25	NULL	#VALUE!	20.78%
CAD / USD	\$0.7926	\$0.0043	0.55%	0.88%
CAD / EUR	€0.6718	€0.0012	0.18%	4.50%
USD / EUR	€0.8477	-€0.0031	-0.36%	3.59%
USD / JPY	¥109.81	-¥0.26	-0.24%	6.33%

Source: Refinitiv



1) National Bank Financial is an indirect wholly owned subsidiary of National Bank of Canada.

2) National Bank of Canada is a public company listed on Canadian stock exchanges.

3) National Bank Financial may act as financial advisor, fiscal agent or underwriter for certain companies mentioned herein and may receive remuneration for its services.

4) National Bank Financial and/or its officers, directors, representatives or associates may have a position in the securities mentioned herein and may make purchases and/or sales of these securities from time to time in the open market or otherwise.

5) The information contained herein was obtained from sources which we believe to be reliable, however we cannot represent that it is accurate or complete.

6) This is not a recommendation for any security or investment sector as it may not be suitable for all types of investors. Please contact your investment advisor before purchase to discuss your investor profile and to further discuss these risk factors.